

NEW AMERICA HIGH INCOME FUND INC
Form N-CSR
March 07, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-05399

THE NEW AMERICA HIGH INCOME FUND, INC.
(Exact name of registrant as specified in charter)

33 Broad Street, Boston, MA
(Address of principal executive offices)

02109
(Zip code)

Ellen E. Terry

33 Broad Street

Boston, MA 02109
(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 263-6400

Date of fiscal year end: December 31, 2010

Date of reporting period: July 1, 2010 to December 31, 2010

Item 1. Reports to Stockholders

February 15, 2011

Dear Fellow Shareholder,

We are pleased to report to our shareholders on the results of The New America High Income Fund (the "Fund") for the year ended December 31, 2010. The Fund's net asset value per share (the "NAV") ended the year at \$10.17. The market price for the Fund's shares was \$9.96 on, December 31, 2010, representing a market price discount to NAV of 2.1%. The Fund paid dividends totaling \$1.025 per share, which included an unusually large \$0.31 per share special dividend. The dividend yield for a common stock purchase at year-end 2009 for the year ended December 31, 2010 was approximately 11.3%. However, there is no certainty that the dividend will continue at the current level of \$.065 per share per month. The common stock dividend can be affected by portfolio results, the cost and amount of leverage, market conditions, and operating expenses, among other factors. The current extraordinarily low cost of leverage of less than 2% is not expected to continue indefinitely. The Fund's leverage, which is in the form of Auction Term Preferred Stock (the "ATP"), contributed approximately 25% of the common dividend. It is important to note that leverage is a two-edged sword. Leverage increases the total return to the common shareholders in favorable markets; however the reverse is true in poor markets.

	Total Returns for the Periods Ending December 31, 2010	
	1 Year	3 Years Cumulative
New America High Income Fund (Stock Price and Dividends)*	22.02%	64.64%
New America High Income Fund (NAV and Dividends)	19.26%	44.54%
Lipper Closed-End Fund Leveraged High Yield Average	18.90%	10.34%
Credit Suisse High Yield Index	14.42%	30.27%
Citigroup 10 Year Treasury Index	8.10%	17.16%

Sources: Credit Suisse, Citigroup, Lipper Inc., The New America High Income Fund, Inc.

Past performance is no guarantee of future results. Total return assumes the reinvestment of dividends.

* Because the Fund's shares may trade at either a discount or premium to the Fund's net asset value per share, returns based upon the stock price and dividends will tend to differ from those derived from the underlying change in net asset value and dividends.

Market Review

The high yield market generated strong gains during the past three months, capping an outstanding year in absolute returns. The environment for below investment grade bonds remained favorable even as interest rates moved up and investors absorbed a record new issue calendar. The primary driver for our asset

class's momentum originated from increased confidence regarding the U.S. economy. New policy initiatives from Washington, including bipartisan tax legislation, could add a meaningful component to higher growth forecasts for 2011. These developments helped the high yield bond market shake off another bout of European sovereign debt anxiety arising out of Ireland. Investor cash flows into the asset class provided solid underpinnings to the technical picture for high yield bonds as the fundamental outlook evidenced continued improvement throughout the year. This powerful combination took bond prices higher and left the market with attractive gains for the second year running.

The improving sentiment in the high yield universe led to a meaningful shift in performance leadership during the fourth quarter. The spring and summer periods saw BB rated bonds outpace lower rated sectors. As the year came to a close, CCC rated issues regained favor and produced the strongest absolute returns. For the full year, CCC's were the outright winners by a wide margin, to the consternation of more conservative high yield managers.

While BB rated issues retain very favorable characteristics, especially in terms of credit upgrade potential, lower coupons and longer durations make this sector of the market more susceptible to higher interest rates.

Strategy Review

Leveraged buyout related securities made a smart recovery late in 2010, and the Fund benefitted from targeted allocations to this component of the market. The portfolio's biggest winner was Univision, which initiated a major balance sheet recapitalization after announcing a \$1.2 billion equity infusion from Televisa, a world class Mexican media conglomerate. Univision's securities rallied significantly, and the position was our top performer during the quarter. Three new LBOs that came to market and were purchased for the portfolio were Bumble Bee Foods, Dunkin Brands and Syniverse. While the first two are household names in the U.S., Syniverse is a less well known, but highly respected company that provides wireless phone services to the major carriers in the industry. We also added significantly to our holdings in CDW, which offers technology services to small and medium sized businesses in the U.S. We believe CDW could make an attractive IPO candidate in the near term future.

The Fund's investments in economically sensitive sectors proved rewarding throughout the year, and we continued to increase the portfolio's allocation to cyclicals. The most noteworthy event in the high yield market as the year drew to a close was General Motors' initial public offering. Once again, our auto industry exposure has proven very rewarding from a performance attribution standpoint. We expect this industry to continue its recovery in 2011 and therefore purchased a position in a GM convertible bond that priced concurrently with the IPO. On the international front, the most interesting purchase was Fortescue (FMG Resources), an Australian mining concern that ships iron ore to the Chinese steel industry. We continue to favor metals due to our positive secular theme related to global growth.

Outlook

The high yield market enjoyed a default rate of less than 1% in 2010, one of the best results in the history of this asset class. With more confidence now that 2011 economic trends will be significantly improved, we expect credit stress to be a non factor this year. As a result, spreads have room to tighten even further from December 2010 levels. Investors should note that spread tightening can occur through higher interest rates on risk free securities as well as capital appreciation on the Fund's underlying holdings. While the last two years have been quite rewarding for investors in high yield, we continue to see pockets of opportunity even after stellar results in 2009 and 2010. Basic bond math suggests that high yield returns will be more muted this year, but we still see our asset class as compelling against the larger fixed income landscape. Though recent years' gains are unlikely to repeat, investors should still be well served if results match our outlook for modest capital appreciation and high current income.

Sincerely,

Robert F. Birch
President
The New America High Income Fund, Inc.

Mark Vaselkiv
Vice President
T. Rowe Price Associates, Inc.

Ellen E. Terry
Vice President
The New America High Income Fund, Inc.

Paul A. Karpers
Vice President
T. Rowe Price Associates, Inc.

The views expressed in this update are as of the date of this letter. These views and any portfolio holdings discussed in the update are subject to change at any time based on market or other conditions. The Fund and T. Rowe Price Associates, Inc. disclaim any duty to update these views, which may not be relied upon as investment advice. In addition, references to specific companies' securities should not be regarded as investment recommendations or indicative of the Fund's portfolio as a whole

The New America High Income Fund, Inc.

Industry Summary December 31, 2010	As a Percent of Total Investments
Finance	11.43%
Telecommunications	9.74%
Oil and Gas	8.92%
Broadcasting and Entertainment	7.42%
Diversified/Conglomerate Service	7.20%
Healthcare, Education and Childcare	5.86%
Retail Stores	4.45%
Mining, Steel, Iron and Non-Precious Metals	4.32%
Hotels, Motels, Inns and Gaming	3.82%
Chemicals, Plastics and Rubber	3.63%
Containers, Packaging and Glass	3.59%
Building and Real Estate	3.41%
Automobile	3.21%
Utilities	3.02%
Electronics	2.57%
Diversified/Conglomerate Manufacturing	2.46%
Beverage, Food and Tobacco	2.39%
Leisure, Amusement and Entertainment	1.64%
Personal, Food and Miscellaneous Services	1.50%
Aerospace and Defense	1.44%
Personal Transportation	1.34%
Insurance	1.15%
Cargo Transport	1.05%
Printing and Publishing	0.78%
Banking	0.63%
Personal Non-Durable Consumer Products	0.50%
Textiles and Leather	0.50%
Ecological	0.26%
Groceries	0.17%
Furnishings, Housewares, Consumer Durable	0.08%
Short-Term Investments	1.52%
Total Investments	100.00%
Moody's Investors Service Ratings December 31, 2010 (Unaudited)	As a Percent of Total Investments
Short Term P-1	1.52%
A3	0.88%
Baa2	0.07%
Baa3	0.08%
Total Baa	0.15%
Ba1	5.14%
Ba2	9.82%
Ba3	10.02%
Total Ba	24.98%
B1	14.69%
B2	12.58%

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B3	19.70%
Total B	46.97%
Caa1	10.82%
Caa2	5.24%
Caa3	3.52%
Total Caa	19.58%
Unrated	2.93%
Equity	2.99%
Total Investments	100.00%

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2010 (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES 130.03% (d)			
Aerospace and Defense 1.97%			
\$ 650	BE Aerospace Inc., Senior Notes, 8.50%, 07/01/18	Ba3	\$ 709
475	Bombardier, Inc., Senior Notes, 6.125%, 05/15/21(g) (EUR)	Ba2	614
375	Esterline Technologies, Senior Notes, 7%, 08/01/20 (g)	Ba3	388
325	Kratos Defense and Security Solutions, Inc., Senior Notes, 10%, 06/01/17	B3	362
625	Moog, Inc., Senior Notes, 7.25%, 06/15/18	Ba3	655
525	Sequa Corporation, Senior Notes, 11.75%, 12/01/15 (g)	Caa2	562
225	Sequa Corporation, Senior Notes, 13.50%, 12/01/15 (g)	Caa2	241
200	Spirit Aerosystems, Inc., Senior Notes, 7.50%, 10/01/17	Ba3	208
850	Transdigm, Inc., Senior Subordinated Notes, 7.75%, 12/15/18 (g)	B3	878
			4,617
Automobile 3.75%			
158	Affinia Group, Inc., Senior Notes, 10.75%, 08/15/16 (g)	B1	176
1,385	Allison Transmission, Inc., Senior Notes, 11.25%, 11/01/15 (g)	Caa2	1,499
666	Commercial Vehicle Group, Inc., 11%, 02/15/13 (i)	(e)	706

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75	Conti Gummi Finance B.V., Senior Notes, 6.50%, 01/15/16 (g) (EUR)	B1	101
175	Conti Gummi Finance B.V., Senior Notes, 7.50%, 09/15/17 (g) (EUR)	B1	241
400	Conti Gummi Finance B.V., Senior Notes, 8.50%, 07/15/15 (g) (EUR)	B1	579
475	Ford Motor Company, Senior Notes, 7.45%, 07/16/31	Ba3	511
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 1,200	Ford Motor Credit Company LLC, Senior Notes, 8.70%, 10/01/14	Ba2	\$ 1,344
1,375	Ford Motor Credit Company LLC, Senior Notes, 12%, 05/15/15	Ba2	1,726
750	Goodyear Tire & Rubber Company, Senior Notes, 10.50%, 05/15/16	B1	855
1,000	KAR Holdings, Inc., Senior Subordinated Notes, 10%, 05/01/15	Caa1	1,060
			8,798
Banking .86%			
1,250	Amsouth Bank, N.A., Subordinated Notes, 5.20%, 04/01/15	Ba3	1,203
495	Royal Bank of Scotland Group plc, 7.648%, 08/29/49	Ba2	415
390	Zions Bancorp, 7.75%, 09/23/14	(e)	406
			2,024
Beverage, Food and Tobacco 3.01%			
400	Bumble Bee Acquisition Company, Senior Notes, 9%, 12/15/17 (g)	B2	417

325	CEDC Finance Corporation International, Senior Notes, 9.125%, 12/01/16 (g)	B1	345
75	Constellation Brands, Inc., Senior Notes, 8.375%, 12/15/14	Ba3	81
525	Cott Beverages, Inc., Senior Notes, 8.125%, 09/01/18	B3	566
200	Cott Beverages, Inc., Senior Notes, 8.375%, 11/15/17	B3	218
150	Darling International, Inc., Senior Notes, 8.50%, 12/15/18 (g)	B2	156
50	Del Monte Corporation, Senior Subordinated Notes, 7.50%, 10/15/19	Ba3	58
309	Dole Food Company, Inc., Senior Notes, 13.875%, 03/15/14	B2	377

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2010** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 675	JBS Finance II Ltd., Senior Notes, 8.25%, 01/29/18 (g)	B1	\$ 685
425	JBS USA, LLC Senior Notes, 11.625%, 05/01/14	B1	496
750	Land O'Lakes, 7.45%, 03/15/28 7.45%, 03/15/28 (g)	Ba2	671
900	Michael Foods, Inc., Senior Notes, 9.75%, 07/15/18 (g)	Caa1	977
525	Pinnacle Foods Finance LLC, Senior Notes, 9.25%, 04/01/15	B3	545
100	Pinnacle Foods Finance LLC, Senior Subordinated Notes, 10.625%, 04/01/17	Caa1	107
150	R&R Ice Cream plc, Senior Notes, 8.375%, 11/15/17 (g)(EUR)	B2	206
225	Reddy Ice Holdings, Inc., Senior Notes, 10.50%, 11/01/12	Caa2	223
125	Reddy Ice Holdings, Inc., Senior Notes, 11.25%, 03/15/15	B2	128
250	Smithfield Foods, Inc., Senior Notes, 7.75%, 07/01/17	Caa1	259
125	Smithfield Foods, Inc., Senior Secured Notes, 10%, 07/15/14 (g)	B1	144
375	TreeHouse Foods, Inc., Senior Notes, 7.75%, 03/01/18	Ba2	406

7,065

Broadcasting and Entertainment 10.03%

650	AMC Entertainment, Inc., Senior Notes, 8.75%, 06/01/19	B1	694
550	AMC Entertainment, Inc., Senior Subordinated Notes, 9.75%, 12/01/20 (g)	Caa1	570
500	Belo Corporation, Senior Notes, 8%, 11/15/16	Ba1	539
400	Bresnan Broadband Holdings, Senior Notes, 8%, 12/15/18 (g)	B3	412

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 875	Cablevision Systems Corporation, Senior Notes, 7.75%, 04/15/18	B1	\$ 917
350	Cablevision Systems Corporation, Senior Notes, 8%, 04/15/20	B1	375
325	CCH II, LLC, Senior Notes, 13.50%, 11/30/16	B2	388
1,200	CCO Holdings, LLC, Senior Notes, 7.25%, 10/30/17	B2	1,218
400	CCO Holdings, LLC, Senior Notes, 8.125%, 04/30/20	B2	423
875	Cequel Communications Holdings I, LLC, Senior Notes, 8.625%, 11/15/17 (g)	B3	921
450	Cinemark, USA, Inc., Senior Notes, 8.625%, 06/15/19	B3	487
275	CSC Holdings, Inc., Senior Notes, 8.50%, 06/15/15	Ba3	299
475	Interpublic Group of Companies, Inc., Senior Notes, 10%, 07/15/17	Ba2	553

50	Lamar Media Corporation, Senior Subordinated Notes, 6.625%, 08/15/15	B1	51
200	Lamar Media Corporation, Senior Subordinated Notes, 7.875%, 04/15/18	B1	212
350	Lin Television Corporation, Senior Notes, 8.375%, 04/15/18	Ba3	370
575	Lions Gate Entertainment, Inc., Senior Notes, 10.25%, 11/01/16 (g)	B1	597
400	Mediacom Broadband LLC, Senior Notes, 8.50%, 10/15/15	B3	401
825	Nexstar Broadcasting, Inc., Senior Notes, 8.875%, 04/15/17 (g)	B3	877
500	Regal Cinemas Corporation, Senior Notes, 8.625%, 07/15/19	B2	529
250	Regal Cinemas Corporation, Senior Notes, 9.125%, 08/15/18	B3	266

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments **December 31, 2010** **Continued** (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 925	Sinclair Television Group, Inc., Senior Notes, 9.25%, 11/01/17 (g)	Ba3	\$ 1,006
2,150	Sirius Satellite Radio, Inc., Senior Notes, 8.75%, 04/01/15 (g)	B3	2,322
250	Sirius XM Radio, Inc., Senior Notes, 9.75%, 09/01/15 (g)	Ba3	281
1,025	Univision Communications, Inc., Senior Notes, 7.875%, 11/01/20 (g)	B2	1,076
900	Univision Communications, Inc., Senior Notes, 8.50%, 05/15/21 (g)	Caa2	916
1,075	Univision Communications, Inc., Senior Notes, 12%, 07/01/14 (g)	B2	1,177
550	UPC Germany GMBH, Senior Notes, 8.125%, 12/01/17 (g)	B1	575
500	UPC Holding BV, Senior Notes, 8.375%, 08/15/20 (g)(EUR)	B2	690
75	Videotron Ltee., Senior Notes, 9.125%, 04/15/18	Ba1	84
1,275	Virgin Media Finance PLC, Senior Notes, 9.50%, 08/15/16	Ba3	1,438
350	XM Satellite Radio, Inc., Senior Notes, 7.625%, 11/01/18 (g)	B3	361
1,350	XM Satellite Radio, Inc., Senior Notes, 13%, 08/01/13 (g)	B3	1,606

		Ziggo Bond Company B.V., Senior Notes, 8%, 05/15/18 (g)(EUR)	B2	895
650				23,526
Building and Real Estate 4.68%				
		Associated Materials, Inc., Senior Notes, 9.125%, 11/01/17 (g)	B3	735
700				
		Beazer Homes USA. Inc., Senior Notes, 8.125%, 06/15/16	Caa2	246
250				
			Moody's Rating (Unaudited)	Value (Note 1)
Principal Amount/Units				
		Beazer Homes USA. Inc., Senior Notes, 9.125%, 06/15/18	Caa2	\$ 346
\$ 350				
		Beazer Homes USA. Inc., Senior Notes, 9.125%, 05/15/19 (g)	Caa2	239
250				
		CB Richard Ellis Services, Inc., Senior Subordinated Notes, 6.625%, 10/15/20 (g)	Ba1	499
500				
		CB Richard Ellis Services, Inc., Senior Subordinated Notes, 11.625%, 06/15/17	Ba2	377
325				
		Gibraltar Industries, Inc., Senior Subordinated Notes, 8%, 12/01/15	B3	807
800				
		Grohe Holding GmbH, Senior Bonds, 8.625%, 10/01/14 (g)(EUR)	Caa1	69
50				
		Grohe Holding GmbH, Senior Secured Bonds, 3.86%, 01/15/14 (EUR)	B3	260
203				
		Heidelbergcement Finance, Senior Notes, 8%, 01/31/17 (EUR)	Ba3	213
150				
		Host Marriott, L.P., Senior Notes, 6.75%, 06/01/16	Ba1	510
500				
		Masco Corporation, Senior Notes, 6.125%, 10/03/16	Ba2	76
75				

425	Masco Corporation, Senior Notes, 7.125%, 03/15/20	Ba2	445
500	Mercer International, Inc., Senior Notes, 9.50%, 12/01/17 (g)	B3	515
375	Nortek, Inc., Senior Notes, 10%, 12/01/18 (g)	Caa2	391
500	Obrascon Huarte Lain S.A, Senior Notes, 7.375%, 04/28/15 (EUR)	Ba2	646
775	Ply Gem Industries, Inc., Senior Notes, 11.75%, 06/15/13	Caa1	827
575	Potlach Corporation, Senior Notes, 7.50%, 11/01/19	Ba1	597
725	Reliance Intermediate Holdings, L.P., Senior Notes, 9.50%, 12/15/19 (g)	Ba2	766

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The New America High Income Fund, Inc.

Schedule of Investments December 31, 2010 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 450	Rouse Company, LLC, Senior Notes, 6.75%, 11/09/15	(e)	\$ 466
200	Standard Pacific Corporation, Senior Notes, 8.375%, 05/15/18	B3	201
400	Standard Pacific Corporation, Senior Notes, 10.75%, 09/15/16	B3	458
525	Texas Industries, Senior Notes, 9.25%, 08/15/20 (g)	B3	558
225	USG Corporation, Senior Notes, 8.375%, 10/15/18 (g)	B2	221
475	USG Corporation, Senior Notes, 9.75%, 08/01/14 (g)	B2	502
			10,970
Cargo Transport 1.43%			
300	American Railcar Industries, Inc., Senior Notes, 7.50%, 03/01/14	Caa1	304
870	DP World Ltd., Senior Notes, 6.85%, 07/02/37 (g)	Ba1	777
1,150	DP World Sukuk Limited, Senior Notes, 6.25%, 07/02/17 (g)	Ba1	1,117
525	Kansas City Southern de Mexico, S.A. de C.V., Senior Notes, 8%, 02/01/18	B1	564
130	Kansas City Southern Railway Company, Senior Notes, 13%, 12/15/13	B1	155

450	United Maritime Group, LLC, Senior Notes, 11.75%, 06/15/15	B3	450
			3,367

Chemicals, Plastics and Rubber 4.97%

400	Celanese US Holdings LLC, Senior Notes, 6.625%, 10/15/18 (g)	Ba3	413
225	Compass Minerals International, Inc., Senior Notes, 8%, 06/01/19	Ba2	246

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 675	Hexion Specialty Chemicals, Inc., Senior Notes, 8.875%, 02/01/18	B3	\$ 724
325	Hexion Specialty Chemicals, Inc., Senior Notes, 9%, 11/15/20 (g)	Caa1	346
175	Huntsman International LLC, Senior Subordinated Notes, 8.625%, 03/15/20	B3	190
1,250	Huntsman International LLC, Senior Subordinated Notes, 8.625%, 03/15/21 (g)	B3	1,356
700	Kerling plc, Senior Notes, 10.625%, 2/01/17 (g)(EUR)	B3	1,020
300	Koppers Holdings Inc., Senior Notes, 7.875%, 12/01/19	B1	321
1,327	LBI Escrow Corporation, Senior Notes, 8%, 11/01/17 (g)	Ba2	1,473
1,450	Lyondell Chemical Company, Senior Notes, 11%, 05/01/18	B2	1,642
525	Momentive Performance Materials, Inc., Senior Notes, 9%, 01/15/21 (g)	Caa1	553
750	Momentive Performance Materials, Inc., Senior Notes, 11.50%, 12/01/16	Caa2	814
200		B2	202

	Omnova Solutions, Inc., Senior Notes, 7.875%, 11/01/18 (g)		
	PolyOne Corporation, Senior Notes,		
325	7.375%, 09/15/20	Ba3	337
	Rhodia S.A., Senior Notes, 6.875%, 09/15/20 (g)	B1	278
	Rohm and Haas Company, Senior Notes,		
300	7.85%, 07/15/29	(e)	347
	Solutia, Inc, Senior Notes, 7.875%, 03/15/20	B1	589
	Solutia, Inc, Senior Notes, 8.75%, 11/01/17	B1	602

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2010 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 200	Westlake Chemical Corporation, Senior Notes, 6.625%, 01/15/16	Ba2	\$ 207
			11,660
Containers, Packaging and Glass 4.57%			
425	Ardagh Glass Group plc, Senior Notes, 7.375%, 10/15/17 (g)	Ba3	440
425	Ball Corporation, Senior Notes, 7.375%, 09/01/19	Ba1	457
850	Berry Plastics Corporation, Senior Notes, 8.25%, 11/15/15	B1	903
875	Berry Plastics Corporation, Senior Notes, 9.75%, 01/15/21 (g)	Caa1	872
175	Boise Cascade, LLC, Senior Subordinated Notes, Notes, 7.125%, 10/15/14	Caa1	171
250	Boise Paper Holdings LLC, Senior Notes, 8%, 04/01/20	B1	268
375	Boise Paper Holdings LLC, Senior Notes, 9%, 11/01/17	B1	411
425	Bway Holding Company, Senior Notes, 10%, 06/15/18 (g)	B3	458
375	Cascades Inc., Senior Notes, 7.75%, 12/15/17	Ba3	384
300	Cascades, Inc., Senior Notes, 7.875%, 01/15/20	Ba3	308
250	Clearwater Paper Corporation, Senior Notes,	Ba3	258

	7.125%, 11/01/18 (g)		
	Clearwater Paper Corporation, Senior Notes,		
300	10.625%, 06/15/16	Ba3	343
	Clondalkin Acquisition BV, Senior Notes,		
225	2.302%, 12/15/13 (g)	B1	212
	Crown Euro Holdings, S.A., Senior Notes,		
300	7.125%, 08/15/18 (g)(EUR)	Ba1	415
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
	Graphic Packaging International, Inc., Senior Notes,		
\$ 525	7.875%, 10/01/18	B3	\$ 550
	Graphic Packaging International, Inc., Senior Notes,		
600	9.50%, 06/15/17	B3	655
	Greif Inc., Senior Notes,		
350	7.75%, 08/01/19	Ba2	383
	JSG Funding PLC, Subordinated Notes,		
425	7.75%, 04/01/15	B2	436
	Plastipak Holdings, Inc., Senior Notes,		
275	10.625%, 08/15/19 (g)	B3	308
	Plastipak Holdings, Inc., Senior Notes,		
200	10.625%, 08/15/19 (g)	(e)	224
	Reynolds Group Issuer, Inc., Senior Notes,		
600	7.125%, 04/15/19 (g)	Ba3	618
	Reynolds Group Issuer, Inc., Senior Notes,		
475	7.75%, 10/15/16 (g)	Ba3	501
	Solo Cup Company, Senior Notes,		
825	10.50%, 11/01/13	B2	862
250	Verso Paper Holdings LLC, Senior Notes,	Ba2	276

11.50%, 07/01/14

10,713

Diversified/Conglomerate Manufacturing 3.13%

500	AGY Holding Corp., Senior Notes, 11%, 11/15/14	B3	450
400	Altra Holdings, Inc., Senior Notes, 8.125%, 12/01/16	B1	421
375	Amsted Industries, Inc., Senior Notes, 8.125%, 03/15/18 (g)	B1	398
780	Cemex Finance LLC, Senior Notes, 9.50%, 12/14/16 (g)	(e)	804
450	Coleman Cable, Inc., Senior Notes, 9%, 02/15/18	B3	466
100	CPM Holdings, Inc., Senior Notes, 10.625%, 09/01/14 (g)	B2	107
300	Manitowoc Company, Inc., Senior Notes, 8.50%, 11/01/20	B3	320

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2010 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 475	Oshkosh Corporation, Senior Notes, 8.25%, 03/01/17	B2	\$ 515
475	Oshkosh Corporation, Senior Notes, 8.50%, 03/01/20	B2	521
750	Pinafore, LLC, Senior Notes, 9%, 10/01/18 (g)	B1	814
1,425	RBS Global, Inc., Senior Notes, 8.50%, 05/01/18	Caa1	1,507
450	SPX Corporation, Senior Notes, 6.875%, 09/01/17 (g)	Ba1	479
50	Terex Corporation, Senior Notes, 10.875%, 06/01/16	B2	58
475	Terex Corporation, Senior Subordinated Notes, 8%, 11/15/17	Caa1	482
			7,342
Diversified/Conglomerate Service 9.86%			
475	Anixter Inc., Senior Notes, 10%, 03/15/14	Ba2	549
280	Avis Budget Car Rental LLC, Senior Notes, 7.625%, 05/15/14	B3	287
450	Avis Budget Car Rental LLC, Senior Notes, 9.625%, 03/15/18	B3	487
575	CDW Corporation, Senior Notes, 11.50%, 10/12/15	Caa1	598
25	CDW Corporation, Senior Secured Notes, 8%, 12/15/18 (g)	B2	26
1,625	CDW Corporation, Senior Subordinated Notes,	Caa2	1,641

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	12.535%, 10/12/17		
675	Dycom Investments, Inc., Senior Subordinated Notes, 8.125%, 10/15/15	Ba3	689
300	EC Finance plc, Senior Notes, 9.75%, 08/01/17 (g)(EUR)	B2	433
525	Education Management LLC, Senior Notes, 8.75%, 06/01/14	B2	538
81	Education Management LLC, Senior Subordinated Notes, 10.25%, 06/01/16	B3	82
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 600	Europcar Groupe S.A., Senior Subordinated Notes, 4.55%, 05/15/13 (g)(EUR)	B3	\$ 767
475	FTI Consulting Inc., Senior Notes, 6.75%, 10/01/20 (g)	Ba2	471
250	FTI Consulting Inc., Senior Notes, 7.75%, 10/01/16	Ba2	258
525	Fidelity National Information Services, Inc., Senior Notes, 7.625%, 07/15/17 (g)	Ba2	553
325	Fidelity National Information Services, Inc., Senior Notes, 7.875%, 07/15/20 (g)	Ba2	344
800	First Data Corporation, Senior Notes, 8.875%, 08/15/20 (g)	B1	844
400	Garda World Security Corporation, Senior Notes, 9.75%, 03/15/17 (g)	B3	430
425	GEO Group, Inc., Senior Notes, 7.75%, 10/15/17	B1	449
850	Hertz Corporation, Senior Notes, 7.50%, 10/15/18 (g)	B2	886

	Hertz Holdings Netherlands B.V., Senior Notes,		
400	8.50%, 07/31/15 (g)(EUR)	B1	575
	Interline Brands, Inc., Senior Notes,		
225	7%, 11/15/18 (g)	B2	228
	iPayment, Inc., Senior Notes,		
825	9.75%, 05/15/14	Caa1	776
	iPayment, Inc., Senior Subordinated Notes,		
1,067	12.75%, 07/15/14 (i)(g)	(e)	920
	Mac Gray Corporation, Senior Notes,		
1,100	7.625%, 08/15/15	B3	1,081
	Maxim Crane Works, L.P., Senior Notes,		
350	12.25%, 04/15/15 (g)	Caa1	340
	Mobile Mini, Inc. Senior Notes,		
975	6.875%, 05/01/15	B2	982
	Open Solutions, Inc., Senior Subordinated Notes,		
525	9.75%, 02/01/15 (g)	Caa2	367
	RSC Equipment, Inc., Senior Notes,		
550	10%, 07/15/17 (g)	B1	617

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2010 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 1,250	Servicemaster Company, Senior Notes, 10.75%, 07/15/15 (g)	B3	\$ 1,350
325	Syniverse Holdings, Senior Notes, 9.125%, 01/15/19 (g)	Caa1	334
250	Travelport LLC, Senior Notes, 11.875%, 09/01/16	Caa1	244
1,400	United Rentals North America, Inc., Senior Notes, 10.875%, 06/15/16	B2	1,599
425	United Rentals North America, Inc., Senior Subordinated Notes, 8.375%, 09/15/20	Caa1	432
1,450	US Food Service Corporation, Senior Notes, 10.25%, 06/30/15 (g)	Caa2	1,464
525	West Corporation, Senior Notes, 7.875%, 01/15/19 (g)	B3	534
700	West Corporation, Senior Notes, 8.625%, 10/01/18 (g)	B3	744
200	West Corporation, Senior Subordinated Notes, 11%, 10/15/16	Caa1	217
			23,136
Ecological .35%			
800	WCA Waste Corporation, Senior Notes, 9.25%, 06/15/14	B3	828
Electronics 1.96%			
475	Advanced Micro Devices, Inc., Senior Notes, 7.75%, 08/01/20 (g)	Ba3	492

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175	Advanced Micro Devices, Inc., Senior Notes, 8.125%, 12/15/17	Ba3	185
250	Aspect Software, Inc., Senior Notes, 10.625%, 05/15/17 (g)	Caa1	258
400	Bankrate Inc., Senior Notes, 11.75%, 07/15/15 (g)	B2	444
350	Freescale Semiconductor, Inc., Senior Notes, 10.125%, 03/15/18 (g)	B2	393
575	Jabil Circuit, Inc., Senior Notes, 7.75%, 07/15/16	Ba1	644
		Moody's Rating (Unaudited)	Value (Note 1)
Principal Amount/Units			
\$ 375	JDA Software Group, Inc., Senior Notes, 8%, 12/15/14	B1	\$ 404
225	NXP B.V., Senior Notes, 9.50%, 10/15/15	Caa2	241
400	NXP B.V., Senior Notes, 9.75%, 08/01/18 (g)	B3	452
225	Seagate Technology International, Inc., Senior Notes, 10%, 05/01/14 (g)	Baa3	263
325	Sungard Data Systems, Senior Notes, 10.625%, 05/15/15	Caa1	361
400	Terremark Worldwide, Inc., Senior Notes, 12%, 06/15/17	B1	456
			4,593
Finance 14.46%			
200	Aircastle Limited, Senior Notes, 9.75%, 08/01/18	Ba3	219
1,150	Ally Financial, Inc., Senior Notes, 6.25%, 12/01/17 (g)	B3	1,144
1,600	Ally Financial, Inc., Senior Notes, 7.50%, 09/15/20 (g)	B3	1,696
1,675		B3	1,792

	Ally Financial, Inc., Senior Notes, 8%, 11/01/31		
750	Ally Financial, Inc., Senior Notes, 8.30%, 02/12/15	B3	821
675	American Capital Ltd., Senior Notes, 7.96%, 12/31/13	(e)	693
1,175	American General Finance Corporation, Senior Notes, 6.90%, 12/15/17	B3	946
2,450	American International Group., Senior Notes, 8.25%, 08/15/18	A3	2,818
325	AWAS Aviation Capital Limited, Senior Notes, 7%, 10/15/16 (g)	Ba2	323
4,800	CIT Group, Inc., Senior Notes, 7%, 05/01/17	B3	4,812
1,200	Discover Financial Services, Senior Notes, 10.25%, 07/15/19	Ba1	1,515

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2010 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 800	E*Trade Financial Corporation, Senior Notes, 7.375%, 09/15/13	B3	\$ 796
475	E*Trade Financial Corporation, Senior Notes, 7.875%, 12/01/15	B3	471
2,198	E*Trade Financial Corporation, Senior Notes, 12.50%, 11/30/17	(e)	2,572
425	Icahn Enterprises, L.P., Senior Notes, 7.75%, 01/15/16	Ba3	425
275	Icahn Enterprises, L.P., Senior Notes, 7.75%, 01/15/16 (g)	Ba3	275
1,150	International Lease Finance Corporation, Senior Notes, 8.25%, 12/15/20	B1	1,187
1,975	International Lease Finance Corporation, Senior Notes, 8.625%, 09/15/15 (g)	B1	2,118
1,600	International Lease Finance Corporation, Senior Notes, 8.875%, 09/01/17	B1	1,720
1,875	Nuveen Investments, Inc., Senior Notes, 5.50%, 09/15/15	Caa3	1,612
1,150	Nuveen Investments, Inc., Senior Notes, 10.50%, 11/15/15	Caa3	1,176
475	PHH Corporation, Senior Notes, 9.25%, 03/01/16 (g)	Ba2	501
575	Provident Funding Associates, L.P.,	Ba3	597

	Senior Notes, 10.25%, 04/15/17 (g)		
1,000	SLM Corporation, Senior Medium Term Notes, 5%, 10/01/13	Ba1	1,009
300	SLM Corporation, Senior Medium Term Notes, 5.05%, 11/14/14	Ba1	294
175	SLM Corporation, Senior Medium Term Notes, 5.375%, 05/15/14	Ba1	177
Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 1,750	SLM Corporation, Senior Medium Term Notes, 8.45%, 06/15/18	Ba1	\$ 1,829
475	Synovus Financial Corporation, Subordinate Notes, 5.125%, 06/15/17	B3	391
			33,929
Furnishings, Housewares, Consumer Durable	.10%		
225	Mohawk Industries, Inc., Senior Notes, 6.875%, 01/15/16	Ba2	242
Groceries	.23%		
500	Susser Holdings LLC, Senior Notes, 8.50%, 05/15/16	B2	535
Healthcare, Education and Childcare	8.03%		
450	Accellent, Inc. Senior Notes, 8.375%, 02/01/17	B1	461
700	Accellent, Inc.. Senior Subordinated Notes, 10%, 11/01/17 (g)	Caa2	658
1,500	Biomet, Inc., Senior Notes, 10.375%, 10/15/17	B3	1,646
475	Biomet, Inc., Senior Subordinated Notes, 11.625%, 10/15/17	Caa1	527
675	Boston Scientific Corporation, Senior Notes, 7.375%, 01/15/40	Ba1	740
525	Capella Healthcare Inc., Senior Notes, 9.25%, 07/01/17 (g)	B3	559

925	CHS/Community Health Systems, Inc., Senior Notes, 8.875%, 07/15/15	B3	971
525	Davita, Inc., Senior Notes, 6.375%, 11/01/18	B2	522
600	Davita, Inc., Senior Notes, 6.625%, 11/01/20	B2	598
275	Endo Pharmaceutical Holdings, Inc., Senior Notes, 7%, 12/15/20 (g)	Ba2	280
75	HCA, Inc., Senior Notes, 9.25%, 11/15/16	B2	80
550	HCA, Inc., Senior Secured Notes, 8.50%, 04/15/19	Ba3	602

The accompanying notes are an integral part of these financial statements.

The New America High Income Fund, Inc.

Schedule of Investments December 31, 2010 Continued (Dollar Amounts in Thousands)

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
CORPORATE DEBT SECURITIES continued			
\$ 750	HCA, Inc., Senior Secured Notes, 9.625%, 11/15/16	B2	\$ 803
150	HCA, Inc., Senior Secured Notes, 9.875%, 02/15/17 ...	B2	165
600	Inventive Health Inc., Senior Notes, 10%, 08/15/18 (g)	Caa1	608
250	LifePoint Hospitals, Inc., Senior Notes, 6.625%, 10/01/20 (g)	Ba1	248
475	MedAssets, Inc., Senior Notes, 8%, 11/15/18 (g)	B3	477
900	Multiplan, Inc., Senior Notes, 9.875%, 09/01/18 (g)	Caa1	956
350	Mylan Inc., Senior Notes, 7.625%, 07/15/17 (g)	B1	374
425	OnCure Holdings, Inc., Senior Notes, 11.75%, 05/15/17 (g)	B2	402
525	Radiation Therapy Services, Inc., Senior Subordinated Notes, 9.875%, 04/15/17 (g)	Caa1	518
900	Tenet Healthcare Corporation, Senior Notes, 8%, 08/01/20 (g)	Caa1	913
875	Tenet Healthcare Corporation, Senior Notes, 8.875%, 07/01/19	B1	991
175	UHS Escrow Corporation, Senior Notes, 7%, 10/01/18 (g)	B1	180
875	United Surgical Partners International, Inc., Senior	Caa1	903

	Subordinated Notes, 8.875%, 05/01/17		
450	Universal Hospital Services, Inc., Senior Secured Notes, 3.834%, 06/01/15	B3	409
200	Universal Hospital Services, Inc., Senior Secured Notes, 8.50%, 06/01/15	B3	205
425	Valeant Pharmaceuticals, International, Senior Notes, 6.75%, 10/01/17 (g)	B1	423

Principal Amount/Units		Moody's Rating (Unaudited)	Value (Note 1)
\$ 625	Valeant Pharmaceuticals, International, Senior Notes, 7%, 10/01/20 (g)	B1	\$ 617
750	Vanguard Health Holding Company II, LLC, Senior Notes, 8%, 02/01/18 (g)	B3	769
1,225	Warner Chilcott Company, LLC, Senior Notes, 7.75%, 09/15/18 (g)	B3	1,237
			18,842

Hotels, Motels, Inns and Gaming 4.77%

800	Ameristar Casinos, Inc., Senior Notes, 9.25%, 06/01/14	B2	856
500	Cirsa Funding Luxembourg S.A., Senior Notes, 8.75%, 05/15/18 (g) (EUR)	B3	682
650	Codere Finance (Luxembourg) S.A., Senior Notes, 8.25%, 06/15/15 (g) (EUR)	B2	866
50	Gaylord Entertainment Company, Senior Notes, 6.75%, 11/15/14	Caa2	50
1,875	Harrah's Escrow Corporation, Senior Notes, 11.25%, 06/01/17	Caa1	2,109

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200	MGM Mirage, Senior Notes, 9%, 03/15/20 (g)	B1	219
375	MGM Mirage, Senior Notes, 10.375%, 05/15/14	B1	421
1,100			